



July-Sept 2005

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Lottery Links is published quarterly and provided free of charge to all interested parties. Lottery Links is also available on the website at www.ndlottery.org.

Lottery Links

News and Ideas for Lottery Retailers

Win \$11,000 Free Advertising

Beginning August 11th the countdown begins for the 10 millionth lottery ticket sold in North Dakota. The player who buys the lucky ticket will win \$10,000. The retailer that sells the lucky ticket will also win -- \$11,000 in free advertising! The Lottery will support this promotion with a statewide radio campaign, news releases, and in-store point of sale.

Tell your players to save all their winning and non-winning tickets until the 10 millionth ticket's serial number is announced by the Lottery. If your store normally keeps winning tickets once redeemed for balancing purposes, please print and keep the cash receipt and return the original winning ticket to the player.

Complete rules and regulations have been provided to retailers and can be found on the Lottery's web site at www.ndlottery.org, and by calling 701-328-1574. Please share this information with your employees.

Powerball Changes Increase Sales

Powerball is the North Dakota Lottery's BIG jackpot game and it's going to get even BIGGER and more exciting beginning on August 28th. That's when jackpots will start at \$15 million and Powerball's Power Play option will offer top prizes ranging from \$50,000 to \$1 million. Tickets will still cost \$1, players will still pick 6 numbers and the overall odds of winning will be almost the same.

"The most exciting changes are the Power Play prizes, as players have the opportunity to win \$1 million with the second tier prize*," said Chuck Keller, director of the North Dakota Lottery.

The terminals will phase out the number of multiple draws to reach the final draw of the current Powerball matrix on August 27th. Information about the step-down process and dates is being sent out after each draw. Brochures, play slips, and other information will be delivered to retailers in mid-August!

** See the payout table on Page Two.*

Lady Luck's Tip: Up-sell! Let players know that the odds of winning a prize (other than the jackpot) are great. These are the prizes that multiply. Encourage your players to play the odds!

A Word from the Director

Retailers and players often ask, "Why doesn't the Lottery offer a game that provides smaller jackpots and better odds of winning?"

The Lottery will consider adding a new game if the game is attractive to players, promises to add value to our product mix, and does not significantly cannibalize sales of present games. Likewise, the Lottery would discontinue a game if the players' interest in the game fades. Based on our state's constitution, the Lottery may not have its own in-state lotto game. The Lottery is a member of the Multi-State Lottery Association which has several multi-state games available and is developing new games for consideration by its members.



Let's take a look at 2 important features of the 3 games that the Lottery presently conducts - minimum jackpots and odds of winning:

Game	Minimum Jackpot	Odds of Winning - \$1 Play
Powerball	\$10,000,000*	1 in 36 [^]
Hot Lotto	\$1,000,000	1 in 16
Wild Card 2	\$100,000	1 in 6

I believe the Lottery's product mix can be much improved by adding a game that has a minimum jackpot of less than \$100,000 and odds of winning on a \$1 play better than 1 in 6. A multi-state game that fits this description is 2by2, which has a fixed minimum jackpot of \$20,000 and odds of winning a prize on a \$1 play of 1 in 3.6.

I am excited to announce that the Lottery plans to launch **2by2** as our 4th game in early 2006.

* Changes to \$15 million on August 28

[^] Changes to 1 in 36.6 on August 28.

Powerball Power Play Payout Table - August 28, 2005

MATCH	PRIZE	POWER PLAY				Estimated Odds
		Multiplier 2	Multiplier 3	Multiplier 4	Multiplier 5	
5 + Powerball	Jackpot*	-	-	-	-	1 in 146.1 million
5	\$200,000	\$400,000	\$600,000	\$800,000	\$1,000,000	1 in 3.56 million
4 + Powerball	\$10,000	\$20,000	\$30,000	\$40,000	\$50,000	1 in 584,000
4	\$100	\$200	\$300	\$400	\$500	1 in 14,000
3 + Powerball	\$100	\$200	\$300	\$400	\$500	1 in 12,000
3	\$7	\$14	\$21	\$28	\$35	1 in 291
2 + Powerball	\$7	\$14	\$21	\$28	\$35	1 in 745
1 + Powerball	\$4	\$8	\$12	\$16	\$20	1 in 127
Powerball	\$3	\$6	\$9	\$12	\$15	1 in 69

*Jackpot starts at \$15 Million and continues to grow until it is won. Overall odds are 1 in 36.6



Subscriptions Are Coming!

Players will soon be able to purchase a subscription to Powerball and Hot Lotto for 26, 52, or 104 draws.

Subscriptions are great for players who pick their own numbers, travel out of state for a longer length of time, don't want to worry about losing a ticket, are unable to get to a Lottery retailer to purchase tickets, or just don't want to miss a draw. Subscriptions also make great gifts.

Watch for more information, coming in late fall.

Current Lottery licenses expire September 30, 2005. Watch your mail for renewal information.

New Lottery Staff

Scott Tarno, Customer Service Specialist

Scott is a native of Jamestown, and a graduate of Minnesota State University-Moorhead with a BS degree, majors in Business Administration and Management. Scott has spent the last 25 years in various retail positions throughout the country. He will be working with our retailers to help maximize sales potential.



A Note from Scott

Hello, North Dakota Retailers! I look forward to meeting and working with you.

It's exciting to move back home to North Dakota and get a chance to work with the great staff at the ND lottery and each of our retail locations. Many opportunities and challenges lie before us.

I'm eager to discuss, support, and assist your efforts to increase sales and profits. Let's work together by sharing ideas and information to reach a common goal. I encourage a little friendly competition! Sales contests between associates have created some of the best "suggestive" selling lines out there.

I'm interested in helping to train your staff, develop promotions, and execute our strategies. When's the last time you had a 2nd chance drawing? Some retailers have 2nd chance drawings on a monthly basis.

Let's partner up and generate some added sales. You can contact me at (701) 328-1581 or via e-mail at starno@state.nd.us.

Scott Tarno

Customer Service Specialist

Top Power Play Retailer Shares Tips

Huber's Corner in Westhope is this quarter's number one store for Power Play sales in our state.

Owners Mick and Sarita Huber noticed that there are a lot of people who are traveling through who don't know about the Power Play option. "When they leave our store, they do! I guess the customers feel it's a better deal!" Sarita stated, "It's not about the money, it's about the customer! I don't want a customer coming back and saying, 'Why didn't you tell me about the Power Play option,' or 'You should have told me!'" From the very beginning the Hubers have taken the time to explain the Power Play option.

"It's not about the money, it's about the customer!"

Sarita Huber

Welcome New Retailers

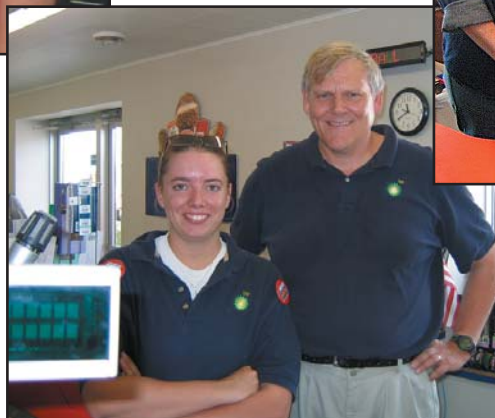
I-94 BP Super Xpress - Bismarck

Hatton Ampride - Hatton



Farmers Union Oil - Sherwood

West Fargo Truck Stop - West Fargo



As of June 30, 2005, the Lottery has given away five \$100,000 prizes, two \$25,000 prizes, one \$15,000 prize, seven \$10,000 prizes, and thirty-three \$5,000 prizes!

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Easy Promotions:

This is the third of a series on ideas for retailer promotions. These easy and inexpensive ideas will work at any retail location:

- Consider a joint promotion with another distributor to give away their products using non-winning tickets for entry forms.
- Include the Lottery in Customer Appreciation Days at your store. Contact your Customer Service Specialist for more information.
- Advertise your promotional event in your store. Letting your customers know the details of the promotion and WHAT THEY CAN WIN prior to and during the event will increase interest and participation. Work with your Customer Service Specialist for additional suggestions and ideas.
- Wear your North Dakota Lottery Buttons and Ribbons. It helps increase awareness and could even win you a prize if "caught" wearing it.

Lucky Sellers

\$100,000 Powerball

Barlow's Miracle Mart, Mandan

\$10,000 Hot Lotto

Dan's Super Valu, Bottineau

\$5,000 Powerball

Petro Stopping Center, Fargo

Town & Country Coop,
Cooperstown

Stop-N-Go #441, Fargo

\$5,000 Wild Card 2

Village Mart, Mandan

Lottery Retailer Advisory Board

The Lottery Retailer Advisory Board will hold its next meeting in October.

If you are interested in serving on the board or have any questions or concerns, please contact Sherry at 701-328-1575.

For a listing of current board members, or to read minutes from the board meetings, please visit our website at www.ndlottery.org.

Lottery Sales \$25 Million for Biennium

The North Dakota Lottery is pleased to report that sales for the 2003-05 fiscal biennium were \$25 million. As a result, the Lottery's biennium profits transferred to the state general fund will be about \$7 million. "Our mission is to maximize sales of lottery tickets with the highest standards of integrity, security, accountability, and public trust," said Chuck Keller, director of the North Dakota Lottery.

Over the past 15 months the Lottery has provided fun, three on-line games, and conducted promotional campaigns to raise dollars for the State of North Dakota. "We will continue to work hard to raise dollars for the state. With every dollar raised by the North Dakota Lottery, the ultimate winners are the people of North Dakota," said Keller.

In addition, the Lottery has paid \$1.25 million in sales commissions to its 400 North Dakota retailers.

Power Play Giveaway

If you encourage players to look at the odds of winning a prize other than the jackpot and the fact that these prize levels multiply with a Power Play purchase, you could double your sales and give players a better chance at bigger prizes.

Explaining the Power Play option and asking for the sale, were the goals behind the Lottery's recent Retailer/Clerk Power Play promotion. Retailers and clerks asked for the Power Play sale and got it! During the first week of the "Power Play" promotion, Power Play sales jumped from 29.99% to 33.95%. Weekly Power Play sales went from \$45,000 - \$50,000 to \$68,000 - \$96,000 during the promotion, thanks to the efforts of lottery retailers.

Lucky clerks, selected at random when they rang up the Power Play sale, won great prizes, including digital cameras, MP3 Players, Televisions, DVD players, and, of course, the GRAND PRIZE - a 42" Plasma TV.



Attorney General Wayne Stenehjem presents the Grand Prize to GWEN HAUX.



New Point-of-Sale Items

New multi-purpose point of sale racks have been delivered. These racks hold game and promotion brochures, play slips, lottery pencils, and posters. Two posters were delivered in June and July -- "Lottery Tickets Make Great Gifts" and "Has Lady Luck Found You?" Posters will be periodically changed to reflect current Lottery activities, and new game brochures will be phased in as the current supply is depleted.

Winning Numbers Signs

Out with the old and in with the new. The dry erase signs retailers currently write winning numbers for each game on will be replaced this fall with new, more versatile signs.

Not only will the sign have a dry erase area for the three current games but it will have a dry erase area for winner information and areas for new game information. The signs are acrylic with slots for slide-in dry erase pieces for each game and winner awareness. They are a little larger than the current signs and provide players with information they seek after every draw.

All prizes over \$600 can be claimed at the North Dakota Lottery, located at the State Capitol Building in Bismarck, 600 East Boulevard Avenue, 17th Floor.

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Winners, from left:

Shelly R. Spang, \$10,000 Hot Lotto, Dan's SuperValu, Bottineau (May 7); Tonia Ponzer, \$5,000 Wild Card 2, Village Mart, Mandan (May 11); Don Zimprich, \$5,000 Powerball Town & Country Coop, Cooperstown (May 28); Raymond Price, \$100,000 Powerball, Barlow's Miracle Mart, Mandan (May 28). Not Pictured: Bill Burke, \$5,000 Powerball, Petro Stopping Center, Fargo (May 7); Mischelle Highman, \$5,000 Powerball, Stop-N-Go #441, Fargo (June 4)

Lady Luck Looks for Winners in Bismarck and Mandan

Lady Luck spent the 4th of July in Bismarck and Mandan looking for winners. She rode in Mandan's Fourth of July parade and made appearances at Art in the Park, Barlow's Miracle Mart, M&H Gas, and Dan's Supermarket in Mandan; as well as the three Stamart locations in Bismarck.





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Retailer Sales Commissions

Through June 30, 2005, the total sales of lottery tickets were \$24,989,037. This equates to retailer commissions of \$1,249,451.85!

The Lottery's Promise: To provide the highest quality service to retailers.